



**INTERREG IPA CBC PROGRAMME
"GREECE – REPUBLIC OF NORTH MACEDONIA 2014-
2020"**

6th MONITORING COMMITTEE (MC) MEETING

November 24, 2020

Online

Brief Minutes & Decisions

The Monitoring Committee (hereinafter referred to as MC) of the Interreg IPA Cross-Border Cooperation Programme "Greece – Republic of North Macedonia 2014-2020" convened online via the Webex platform for its 6th Monitoring Committee Meeting on November 24, 2020, following an invitation by the Managing Authority of European Territorial Cooperation Programmes (hereinafter MA of ETCP), in agreement with the co-chairs.

The meeting started as Mr. Giorgos Zervos, Special Secretary for ERDF & CF Programmes in the Hellenic Ministry of Development & Investments and co-chair of the Committee welcomed the participants and expressed his wishes that the day would prove fruitful and productive. Mr. Zervos highlighted the importance of enhancing the cooperation and communication between the Programme management bodies for the identification and selection of flagship projects, which will be prepared and developed in this programming period, but they will be funded and implemented in 2021-2027 period. He claimed that the opening of the Prespa crossing point is of political and national importance for both countries and the experience of the preparation of this strategic project will be capitalized for the new Programme, when we will be able to proceed to its implementation. He concluded that the involved parties are ready to proceed in full speed with the feasibility studies and specifically the studies for the designs of the Customs building in the Greek side of the borders.

Mr. Goran Milevski, Minister of Local Self Government and co-chair of the Committee also welcomed the participants and particularly praised the MA of ETCP and Joint Secretariat for maintaining advanced Programme-related performance and efficiency in the midst of the pandemic crisis.

On that note, Ms. Klaudia Feurle of the European Commission /Territorial Cooperation Unit (B1)/ Directorate General Regional Policy remarked that, indeed, the covid-19 crisis poses a challenge for Programme implementation and she showed keen interest to hear identified solutions. Next, she underlined the importance of the Prespa strategic project and she expressed her will to know how the future Programme is planned.

The chair then passed to Ms. Aggeliki Bouziani, Head of the MA of ETCP, who asked whether the Agenda of the meeting was accepted by the e-assembly. The sequence of the Agenda items 2 and 3 was interchanged. Then, she announced that quorum is achieved, in line with the attached list of e-participants and informed the members to declare any conflict of interest and subsequently confidentiality and impartiality. No conflict of interest was declared.

The presentations were delivered by members of the Managing Authority and the Joint Secretariat, as foreseen in the Agenda;

1. *Programme's state of play* and
2. *Progress of the 2nd Call for Proposals & Evaluation stage*, presented by JS Coordinator Dr. Spyridon Arseniou
3. *European Commission's policy response to COVID-19 pandemic and in relation to Interreg IPA CBC Programmes*, Discussion
4. *Programme revision / Technical Assistance Axis update*
5. *Information & Publicity*, presented by Ms. Eleftheria Votsari, JS Communication & Technical Assistance Officer and activities in the Antenna office, presented by Mr. Adnan Emini, JS Antenna Officer.
6. *Preparation for the 2021-2027 CBC Programme – Future actions*
7. *Strategic project for the opening of the Prespa border crossing point*, Discussion

On the first and second presentation regarding Programme's state of play and 2nd CfP evaluation, Ms. Feurle commented that the de-commitment risk is no more existing for this year, however, there is potential risk for next year, given the arisen problems from the health crisis and the significant low rate of declared expenditure by beneficiaries. She also observed a discrepancy in the use of Technical Assistance funds between the partner countries (meaning that Republic of North Macedonia spends less TA funds) and she asked for an update on this issue, taking into account that relevant legislative constraints in North Macedonia seem to have been surpassed. The number of 1st level controllers in North Macedonia is very low and could for example be increased with TA.

Ms. Bouziani took the floor and confirmed that the n+3 goal attainment for next year will be difficult, since both countries have closed their borders for the last six months. She added that it would be interesting to know if there is any related EC response to this particular matter (ie. modification in the related de-commitment rules). Mr. Samaras continued by emphasizing in the discussion the current paradox that "this is a cross-border Programme with closed borders". Specifically, he mentioned that project activities are cancelled, their physical object undergoes major changes and on-the-spot visits cannot take place. On this ground, he invited the European Commission to take into serious consideration this parameter and facilitate with specific actions the smooth implementation of the Programme.

Regarding the imbalance in spending of TA funds between the two countries, Ms. Bouziani explained that this is logical, since the JS office - staffed with 7 members – is located in Thessaloniki, GR. Inevitably, the GR TA needs to cover their payroll and travel expenses, as well as the operation costs of the office. Dr. Arseniou added that TA savings are higher for the Greek side.

Ms. Feurle admitted that the needs are not the same for each country, however, she insisted that the difference in TA is still high. She asked how is it intended to spend the remaining TA and whether it would be also used for the future Programme 2021-2027. Mr. Samaras replied that a Programme amendment is planned to happen in the beginning of 2021 in which a part of TA funds will be transferred to Axis 1 and 2 in order to finance additional projects in the 2nd CfP. Moreover, he clarified that the preparation of the next Programme (eg. the external expert for drafting the new Cooperation Programme) is funded by the current TA.

Mr. Ismaili, JS project officer, contributed to the discussion by a) emphasizing that IPA partners' budget does not include VAT in contrast to GR partners' budget and b) absorption of funds by IPA partners is more difficult and at a slower pace, since they receive only a percentage of approved funds as advance payment, whereas Greek partners have all the funds available through the Public Investments Programme.

Mr. Nikola Bertolini representing the EU Delegation in Skopje asked why out of the thirty-five (35) 2nd CfP project partnerships that will be evaluated in the 2nd phase, only eight (8) are led by an applicant from the Republic of North Macedonia. He expressed his view that maybe this is a result of lack of capacity. Dr. Arseniou gave his opinion that "we are not in a position now to extract any qualitative conclusions from this statistics, since we do not know yet which will be funded in the 2nd CfP". There is a possibility that eventually both countries will be equally represented as regards to the origin of the Lead Beneficiary.

On the Agenda item 3 regarding the *European Commission's policy response to COVID-19 pandemic and in relation to Interreg IPA CBC Programmes*, Ms. Feurle observed that indeed border areas are more affected by the covid-19 crisis, yet some Programme implementation issues predate the crisis ie. low level of certified eligible expenditure, late adoption and Programme start). She referred to various possibilities and flexibilities by the European Commission in response to COVID-19 pandemic;

- The Coronavirus Response Investment Initiative (CRII, 2020/460) as well as the 'CRII regulation for IPA CBC programmes' (2020/891);
- *The Regulation (EU) 2020/460 of 30 March 2020 amending Regulations (EU) No 1301/2013, (EU) No 1303/2013 and (EU) No 508/2014 as regards specific measures to mobilise investments in the healthcare systems of Member States and in other sectors of their economies in response to the COVID-19 outbreak (Coronavirus Response Investment Initiative) → not everything is applicable to IPA CBC programmes.*
- *The Commission Implementing Regulation (EU) 2020/891 of 26 June 2020 amending Implementing Regulation (EU) No 447/2014 as regards specific provisions to align the provisions for the implementation of cross-border cooperation programmes financed under the Instrument for Pre-accession Assistance (IPA) with specific measures in response to the COVID-19 pandemic.* The possibility of later submission of the Annual Implementation Report 2019 (end of September instead of end of May).
- At the request of the Managing Authority, a co-financing rate of 100% may be applied to the expenditure declared in payment applications and this is for the accounting year starting from July 1, 2020 ending on June 30, 2021, for one or more Priority Axes. The Managing Authority may transfer during the programming period an amount of up to 8% of the allocation as of 1 February 2020 of a priority and no more than 4% of the programme budget to another priority of the same programme. Such transfers shall not affect previous years. They shall be considered to be not substantial and shall not require a decision of the Commission amending the programme. They shall however comply with all regulatory requirements and shall be approved by the Joint monitoring committee in advance. The Member State shall notify the revised financing plan to the Commission.
- Also, the European Commission put into practice the implementation of EU 'green lanes' – border crossings during the pandemic, ensuring the free flow of goods and services, including medical supplies and personnel.
- The Recovery Assistance for Cohesion and the Territories of Europe package (REACT-EU), which applies for INTERREG, though unfortunately not for external borders and IPA CBC Programmes. At this point, she noticed that EC shall take a closer look at the situation at EU's external borders.

Mr. Samaras embraced all the above initiatives, nevertheless he stressed the absence of real added value and ease for the final beneficiaries and the non-application of all of them to IPA CBC Programmes. Ms. Feurle replied that a few inefficiencies in the Programme existed before

the health crisis and the Programme management bodies should take their share of responsibility in managing the Programme through these difficult times.

Next, Ms. Votsari, JS Communication & Technical Assistance officer presented the Information & Publicity section and Mr. Emini, JS Antenna officer presented the activities that took place the last year in the Antenna office in Bitola.

Then, Mr. Chatzisavvas, Programme officer in Unit B1/MA ETCP presented the *Preparation for the 2021-2027 CBC Programme – Future actions*. Mr. Gianciti from the Delegation of EU in Skopje asked for a timeframe of activities. Mr. Chatzisavvas replied that the *1st Deliverable: Methodology* will be submitted to the Programming Committee for approval during December 2020 and- in parallel- work has already been done for the *2nd Deliverable: Consultation*. The final Programme submission to the European Commission will happen in September 2021. Ms. Feurle reminded that the final Programme 2021-2027 should be adopted by the European Commission by the end of 2021 and that a single Act will be made for all Programmes, meaning that if one Programme submission (and adoption) is late, it will drift all the others, as well. Ms. Bouziani confirmed that efforts will be made by the MA of ETCP to submit the Programme earlier but she underlined the fact that relevant EU 2021-2027 Budget and Regulations are not in place yet. Ms. Feurle declared that this will happen in the 1st quarter of 2021, so the Programmes are expected to be submitted during the 3rd and 4th quarter of 2021.

Moving to the last Agenda item, *Strategic project for the opening of the Prespa border crossing point*, Ms. Bouziani reminded that according to the *5h JMC (Dec. 2019, Skopje) Minutes & Decisions*: *"The JMC was informed regarding the preparatory activities and the planning of the strategic project of Prespas Crossing Point. It will examine the project scope, management and execution proposal of the project when the potential beneficiaries' partner scheme will conclude their works. The MA/JS will continue facilitating the procedure of project planning."* She added that until now the MA/JS has not received specific information from the potential beneficiaries partner scheme, even though – to her knowledge- the Hellenic Ministry of Interior had close collaboration with the Hellenic Ministry of Development & Investments and a number of preliminary studies are mature to be potentially financed. The MA of ETCP suggests that these studies can be financed in the current Programme, however this suggestion is upon MC's approval. The MA of ETCP will contact the National Authorities for specific descriptions and documentation and bring to the attention of the Monitoring Committee (via a written procedure) a detailed proposal to decide upon.

Mr. Emmanuel from the Hellenic Ministry of Interior took the floor and confirmed that a certain amount of work has been done by the Regional Development Agency of Western Macedonia (ANKO) and the Region of Western Macedonia and discussions have indeed taken place between the Hellenic Ministry of Interior and the Hellenic Ministry of Development & Investments. An online meeting will be held in Dec. 2020 among the Greek potential beneficiaries and he asked the MA of ETCP to organise a similar online meeting for both

countries in order to specify the exact studies and budget that will form the project proposal to be submitted under a relevant Targeted Call.

The Deputy Minister of Local Self Government Mr. Dimitrovski, informed everybody that there was a coordination on Nov. 23, 2020 with the Ministry of Foreign Affairs in the Republic of North Macedonia. He expressed the Ministry's official support in the potential strategic project, a fact that is evidenced from the relevant discussions between the Prime Ministers of both countries in September 2020. He confirmed that a lot of preparations have been made; on the terrain itself and the regulations regarding the land ownership. Nevertheless, there is a bad experience with the border crossing point with Bulgaria, in which construction from the Bulgarian side is not yet completed. Therefore, he illustrated the risk of not planning and implementing actions on time and simultaneously at both sides of the borders.

Ms. Konstantopoulou associate of the Special Secretary from the Hellenic Ministry of Development & Investments, following the Co-Chair's introductory speech, confirmed the Ministry's full support to the strategic project and assured that all actions will be taken to accelerate the processes needed for the feasibility studies and the 1st phase of the project.

Mr. Bertolini from the Delegation of the European Union in Skopje, took the floor and informed the MC members about the IPA Prespa project, where the construction of a building in the Republic of North Macedonia side is included. This project has been suspended due to covid-19 crisis and all the funds for 2020 were used for covid-19. The project was now submitted for 2021 approval and it will be approved and signed by the end of 2021 (Contracting Authority: DEU in Skopje), so funds to invest in this building will be available in the beginning of 2022. If all necessary documents are ready by that time, then construction will be launched the soonest. In the meantime, the Customs of the Republic of North Macedonia are preparing the designs of the building (which will be of low degree of complexity). Nevertheless, the investment will be made, but DEU will definitely need that the two designs and the road alienation between the two countries are confirmed.

Following the discussions, the Monitoring Committee (MC) decided unanimously to:

- Acknowledge all the presentations and their content
- Decide upon a potential project to be financed in the current Programme (mainly preliminary/feasibility studies) for the maturity of the Prespas crossing-point strategic project to be further financed in the 2021-2027 Programme. The decision will be

taken via a written procedure. The MA/JS will continue facilitating the respective procedures.

This document is signed digitally by the two co-chairpersons.

**The Co-Chairpersons
of the Monitoring Committee**

**Co-Chair
Mr. Giorgos Zervos**

**Co-chair
Mr. Goran Milevski**

Ministry of Development and Investments

Ministry of Local Self Government

Attachments:

1. Agenda of the 6th Monitoring Committee meeting
2. Webex participants' list of the 6th Monitoring Committee meeting